



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10

1200 Sixth Avenue, Suite 900
Seattle, WA 98101-3140

OFFICE OF
WATER AND
WATERSHEDS

OCT 31 2013

Reply to Attn of: OWW-130

Mr. William G. Scales
President
Formation Capital Corporation, US
812 Shoup Street
Salmon, ID 83467

Re: Application for Renewal of National Pollutant Discharge Elimination System (NPDES) Permit
Idaho Cobalt Project: NPDES Permit No. ID0028321

Dear Mr. Scales:

The U.S. Environmental Protection Agency received the NPDES application materials referenced above on September 26, 2013. The current permit expires on March 31, 2014. In summary, the EPA has determined your application complete, and the Idaho Cobalt Project's NPDES permit is administratively continued, until the EPA grants or denies your application for a new permit. Details on this matter follow:

Pursuant to 40 C.F.R. § 122.21(d), permittees with currently effective permits, "shall submit a new application at least 180 days before the existing permit expires." The EPA received your application materials on September 26, 2013. Therefore, the application for renewal is timely.

An application to the EPA for an NPDES permit is complete when the EPA receives an application form and any supplemental information which are completed to the Agency's satisfaction under 40 C.F.R. § 122.21(e)(1). We have completed our review of the application and have determined that it was complete as of September 26, 2013.

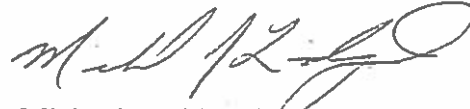
The federal regulations at 40 C.F.R. § 122.6(a) state:

When EPA is the permit-issuing authority, the conditions of an expired permit continue in force under 5 U.S.C. 558(c) until the effective date of a new permit (40 C.F.R. § 124.15) if: (1) The permittee has submitted a timely application (40 C.F.R. § 122.21), which is a complete application for a new permit (40 C.F.R. § 122.21(e)); and (2) The [EPA], through no fault of the permittee does not issue a new permit with an effective date pursuant to 40 C.F.R. § 124.15 on or before the expiration date of the previous permit.

Therefore, your existing permit will remain effective and enforceable until the EPA grants or denies your application for a new permit. *See* 40 C.F.R. § 122.6; 5 U.S.C. 558(c).

Please note that the EPA may request additional information during the development of the draft permit to clarify, modify, or supplement previously submitted material. If you have any questions, please contact Susan Poulsom at (206) 553-6258.

Sincerely,

A handwritten signature in black ink, appearing to read "M. J. Lidgard", written in a cursive style.

Michael J. Lidgard, Manager
NPDES Permits Unit